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UNCLAS SECTION 01 OF 08 TOKYO 003188

#### SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA; WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION; TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE; SECDEF FOR JCS-J-5/JAPAN, DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR; CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

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## ARTICLES:

(1) Interview with former Deputy Secretary of State Richard Armitage: Urges Japan to make international contribution on its own

NIKKEI (Page 8) (Full) November 19, 2008

-- President-elect Obama has promoted a dialogue policy line. What challenges does he face?

"There is one thing that is clear, when viewed from a historical perspective. When President Kennedy was elected in 1960, Soviet Premier Khrushchev, determining that he was young and inexperienced after meeting with him, sought to deploy missiles in Cuba. Mr. Obama needs to be careful so as to avoid giving others the impression that he does not know the real world or is an idealist. I hope he will have an iron fist inside his velvet glove."

-- Russia raised the missile-deployment issue right after Obama's presidential election victory.

"Russia is clearly taking a cooperative stance since President Medvedev had a telephone conversation with Mr. Obama. Enormous assets flew out of Russia since it invaded Georgia. Foreign investments have been withdrawn. Oil prices, its advantage, have fallen. Russia today is no longer the Russia of three months ago. If Mr. Obama thinks highly of Russia, he may manage to settle the differences between the U.S. and Russia. The U.S. and Russia can and should cooperate, with focus on common issues, such as war on terror."

-- Some take the view that a Democrat administration tends to lean toward cooperation with China.

"China is becoming nervous about the new Obama administration. That is because it views that the Democratic Party will bring out the human rights issue and China's protectionism. China will become a huge economic power sooner or later. The next administration should continue strategic economic dialogue between the two countries. It

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is necessary for China to revalue the yuan at an appropriate time.

-- What do you think will become of relations between Japan and the  ${\tt U.S.}$ ?

"Those who are slated to take portfolios in the Obama administration include former Secretary of Navy Danzig and former Deputy Assistant Secretary of State Bader. They are pro-Japan. Since Mr. Bader is a China expert, he understands that relations with Japan are most important. I do not think a 'Japan passing' phenomenon, like that seen during the Clinton administration, will occur again. However, if Japan just sits where it is now and does not work to make its international contributions, it would invite other countries to pass it by. It's up to Japan. Now is the time for Japan to play a greater role in the world. It would be in its own interest."

- -- When you were deputy secretary of state, you called on the Japanese government to dispatch Self-Defense Forces (SDF), using the term "boots on the ground."
- "I wanted Japan to be more active in Afghanistan, as well. There are many things Japan can do there, including the participation in a Provisional Reconstruction Team (PRT) and assistance using the Air-Self Defense Force's C130 transport planes. These operations involve risks, but they are not dangerous, compared with the danger U.S. Marines and Army soldiers who are engaging in battle every day are facing."
- -- How do you think relations between the U.S. and the world will change under President-elect Obama?
- "The U.S. has lost the support of many countries during the Bush administration. President Bush, Vice President Cheney and former Secretary of Defense Rumsfeld are to be blamed for that.

"The world is responding to Mr. Obama with good will and welcomes. However, best wishes and welcomes will not last forever. Whether they will last or not will depend on how Mr. Obama will act. Anyway, I believe relations between the world and the U.S. will improve a great deal.

(2) Many problems lie before a plan to dispatch SDF to pirate-infested waters off Somalia

NIKKEI (Page 2) (Full) November 19, 2008

The government is considering introducing a new law to authorize Japan to take measures to repress piracy, focusing on a plan to mobilize Maritime Self-Defense Force (MSDF) vessels. This development reflects the fact that some Japanese commercial ships have also become the victim of piracy in the waters off Somalia recently. The government is also willing to make anti-piracy efforts another main feature in its international contributions, in addition to the ongoing refueling service by the MSDF in the Indian Ocean. In the divided Diet, though, it will not be easy to translate the dispatch plan into action.

Somalia has been in a state of anarchy. An increasing number of attacks by pirates against commercial vessels have occurred off the coast of lawless Somalia. This year, the number of piracy cases in the said waters was 63 (as of the end of September), and this is the

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largest ever on a yearly basis. Until 2006, there was not any incident involving a Japanese vessel, but three cases have been reported this year.

The U.S., Britain, Germany, Russia, Canada, India, and other countries have sent warships into Somalia's territorial waters to combat piracy. It is possible even under the existing law for MSDF vessels to guard tankers on the high seas if a provision pertaining to the issuance of an order for maritime patrol action under the Self-Defense Force (SDF) Law is invoked. But activities authorized in the provision are premised on those conducted in waters near Japan. Focusing on this point, many observers think it would be difficult to send SDF vessels into the direction of Africa under this law.

Following the terrorist attacks on the U.S. in September, 2001, the government decided to dispatch MSDF vessels to the Indian Ocean for refueling service. Japan also dispatched SDF troops to Iraq on a reconstruction-assistance mission. The SDF dispatch to Iraq was based on a UN resolution. On the refueling operation, however, the Democratic Party of Japan (DPJ), complaining that there is no solid foundation based on a UN resolution, has opposed the operation.

Since there is a definite UN resolution supporting anti-piracy activities in the waters off Somalia, critics will unlikely find problems related to international law for the dispatch of SDF troops to that end. Even so, there are a number of issues to be addressed before such legislation is enacted, like the issue of the constitutional ban on collective self-defense. The government envisions a special measure law designed also to allow MSDF vessels to escort foreign vessels. The government takes the view that since groups of pirates are private ones, guarding foreign vessels does not constitute collective defense. But some might question what action SDF troops would take if an identified armed group attacks a foreign vessel or warship.

Setting weapon-use standards is also a difficult task. The provision on maritime patrol action under the existing law allows SDF troops to use weapons in self-defense or in such cases as an unidentified ship ignoring an order to stop. But in some piracy cases off Somalia, pirates use machineguns and rocket grenades in a preemptive attack, according to a Foreign Ministry source. A government official said: "It is necessary to apply more flexible weapon-use standards than the current ones under the existing legislation."

Given the opposition camp's control of the House of Councillors, if the ruling coalition fails to obtain approval from the DPJ, it will have little hope of having the special anti-piracy bill clear the Diet. Although the ruling camp has an option of taking an override vote in the House of Representatives, but cooperation from the New Komeito is indispensable in this case. A lawmaker responsible for security affairs said: "There is a UN resolution authorizing the operations to combat acts of pirates, so the DPJ must find it difficult to raise opposition." Some DPJ members have expressed their support of Japan's engagement in anti-piracy operations, but there is no guarantee for the DPJ's cooperation in having the bill

enacted.

A senior ruling party member said that some New Komeito members remain cautious about dispatching SDF troops to the coast of Somalia. Prime Minister Taro Aso met former Defense Agency Director General Gen Nakatani and others at the Prime Minister's Office

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yesterday. They agreed on the need to swiftly prepare new legislation to combat piracy. But if the prime minister loses his grip on the party still further, it may become difficult for him to gain cooperation from the New Komeito.

(3) Kantei makes policy switch to attach importance to economic affairs: Shift from election-destined cabinet; Third councilor appointed

YOMIURI (Page 4) (Almost full) November 19, 2008

Prime Minister Aso is rushing to reinforce the staff of the Kantei (Prime Minister's Official Residence). He underscored his stance of proactively tackling the financial crisis and compiling economic pump-priming measures by appointing a third Cabinet Secretariat councilor, one who will be responsible for the international financial policy. The prime minister, who has hinted he will delay Lower House dissolution until next spring or later, wants to recover his administration's power base by appealing to domestic and foreign audiences that he is the "economic Aso."

On the evening of November 17, the prime minister called to the Kantei Masakazu Toyoda, executive director of the Headquarters for Space Development Strategy and former Economy, Trade and Industry (METI) deputy vice minister, and handed him a letter of appointment as Cabinet Secretariat councilor. The prime minister will ask Asian countries to strengthen their cooperation with Japan on measures to deal with the financial crisis. He is dispatching Toyoda and Ambassador for Association of Southeast Asian Nations (ASEAN) Yoshinori Katori to various Asian countries as his special envoys.

Concerning the appointment of Toyoda, Chief Cabinet Secretary Kawamura during a press conference on the 17th explained, "We must properly deal with the financial crisis. We will have him provide information and advice on the real economies of Asian countries to the prime minister."

Toyoda once served as director general of the Trade Policy Bureau of METI. He was also in charge of the new multilateral trade talks (Doha Round) under the World Trade Organization. Commenting on Toyoda's appointment, one government source said that he is well versed in international and trade affairs with an established reputation as being tenacious in international negotiations, having produced many results.

Regarding the international finance area, the prime minister on November 4 appointed former Vice Minister for International Financial Affairs Toyoo Gyoten and former Vice Foreign Minister Yoshiji Nogami to be Cabinet Secretariat councilors. Gyoten is a financial expert, having once been in charge of international financial affairs in the Finance Ministry. Both were dispatched to South Korea and Indonesia as the prime minister's special envoys right after assuming office to pave the way for the recent G-20 emergency financial summit, explaining the Japanese government's approach. With the addition of Toyoda and Katori, the prime minister has achieved a reinforcement of the system that would enable Japan to take the lead in strengthening financial cooperation in and helping Asia's independent development, as the prime minister himself put it.

The prime minister right after assuming office appointed Kyoko

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Nakayama, former State Minister for Abduction Issue, to be special advisor to the Prime Minister on the abduction issue. He also

appointed former Senior Vice Internal Affairs Minister Shunichi Yamaguchi to be special advisor to him for revitalization of local communities, and former Kitakyushu City Mayor Koichi Sueyoshi, once an official at the now defunct Construction Ministry, to be Cabinet Secretariat councilor in charge of giving advice to the prime minister on town building and the management of local communities. He places importance on regional development as the pillar of his economic stimulus policy. When the Aso cabinet was launched, it was defined as election-bound cabinet, for an early dissolution of the Lower House was in the prime minister's mind. However, in view of the fact that Aso has been forced to change his political timetable, including the timing for dissolving the Lower House, he seems to have felt it now necessary for his administration to project the image of a working cabinet that places priority on the policy development.

(4) It is overly simplistic to see Democratic Party as placing emphasis on China

SANKEI (Page 11) (Abridged) November 18, 2008

Mineo Nakajima, president of Akita International University

In the United States, Barack Obama has now won the presidency by a large margin. What then will happen to U.S. policy toward Asia? Since the Obama administration will be seeking to make big changes, his administration's Asia policy will mean much to Japan, as well. There is a tendency in the Japanese media to think that America may favor China over Japan because a Democrat administration is coming into office. However, in today's rapidly changing world, things are not always that simple.

In my view, when it comes to U.S. policy toward Asia, the key point is what kind of international contribution Japan would be able to make-or what kind of principles will Japan uphold in developing its foreign policy.

Obama came on the scene as a historic star, a candidate who would bring about America's recovery. Many here take the view that his administration will be heavy with advisers who are expert on China. However, if one pays close attention to the lineup of policymakers for the Obama administration, focusing on how far they are aware of the social problems China today has and the present situation in North Korea. Another focus is what the administration will think about China-Taiwan relations, due to changing public opinion in Taiwan.

For example, similar to Secretary of State Rice in the Bush administration, Susan Shirk, a professor at the Graduate School of International Relations and Pacific Studies at the University of California, San Diego, who is affiliated with the Democratic Party and is a China and Asia hand, is also likely to come into the administration. She has taken a severe view of China and its big-power nationalism, as noted in her recent book translated into Japanese and titled China: Fragile Superpower.

In her career, Shirk has already held a key foreign-policy post. She once served as assistant secretary of state for East Asian and Pacific affairs when the Clinton administration was in office. Given

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this fact, her appointment to another post may be a forgone conclusion this time around. Obama's policy advisers have their own characteristics. Jeffrey Bader, who once served as deputy assistant secretary of state, is a likely candidate for an Obama administration's foreign policy position dealing with China and Asia. One might say that America will now set store on China because a Democrat administration is coming into office, but we should not take such a simplistic view. We should analyze foreign policy from a broader perspective.

Obama and his administration will remain committed to maintaining security in Afghanistan. The Obama administration also will likely have stronger expectations for continued Maritime Self-Defense Force's refueling activities in the Indian Ocean. However, the

Taiwan issue could be difficult to deal with.

The North Korea problem-including the pending issue of Japanese abductees-has still been left unresolved with no way out in sight for Japan. Another question is how to deal with the Chinese people's concern about their future and a growing sense of crisis. Japan, as a responsible nation in Asia, should adopt a proactive engagement policy toward Asia to deal with such issues.

To do so, Japan should further bolster its alliance and partnership with the United States, based on bilateral security arrangements. These days, there is a view in Japan insisting that Japan should go its own way apart from America. I cannot agree with such opinion.

#### (5) TOP HEADLINES

Asahi, Mainichi, Yomiuri, Sankei & Tokyo Shimbun

Ex-welfare vice minister and wife, another pension official's wife assaulted possibly in terrorist acts

#### Nikkei:

DoCoMo to team up with leading South Korean firm to develop mobile phone using Google software

#### Akahata:

JCP holds emergency talks with representatives from various circles to protect people's livelihoods

## (6) EDITORIALS

#### Asahi:

- (1) Urgently work out effective measures to prevent drunk driving
- (2) Expectation on Middle East policy under Obama administration and reality

### Mainichi:

- (1) Diet session sinking deeper into maze
- (2) Crimes by elderly persons on increase

## Yomiuri:

- (1) DPJ leader Ozawa should not use security issue as tool for Diet dissolution
- (2) Ex-welfare vice minister assaulted: Terrorist acts impermissible

### Nikkei:

(1) Mega-banks should beef up both defensive and offensive moves

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(2) Attacks on ex-welfare vice minister and wife absolutely despicable

# Sankei:

- (1) Japan must take action to prevent attacks by pirates
- (2) Government should promptly urge North Korea to disclose whereabouts of abducted victims

## Tokyo Shimbun:

- (1) Now time for prime minister to decide to submit second extra budget bill
- (2) Hit-and-run accident by drunk a crime equivalent to murder

## Akahata:

- (1) Selfish proposal by Keidanren for introducing regional system
- (7) Prime Minister's schedule, November 18

NIKKEI (Page 2) (Full) November 19, 2008

### 6:37

Had a walk around his private residence in Kamiyamacho.

# 09:04

Attended a cabinet meeting. METI Minister Nikai stayed on.

09:46

Met Council for Regulatory Reform Chairman Kusakari at the Kantei.

10:04

Met Deputy Chief Cabinet Secretary Matsumoto.

11:11

Met Chief Cabinet Secretary Kawamura, followed by LDP Diet Affairs Committee Chairman Oshima.

12:56

Attended a Lower House members' meeting.

13:03

Attended a Lower House plenary session.

14:55

Met at the Kantei Nippon Foundation President Ogata, Ocean Policy Research Foundation Chairman Akiyama, representative Gen Nakatani and secretary general Akihisa Nagashima of the Young Parliamentarians' League to Establish a Security System for a New Century.

15:46

Met Kyushu Rengo Chairman Kamata and Cabinet Councilor Sueyoshi, followed by Deputy Chief Cabinet Secretary Uruma.

16.13

Met Japan Sake Brewers Association Chairman Tatsuma and others, followed by Internal Affairs and Communications Ministry Vice Minister for Policy Coordination Terasaki and International Strategy Bureau Director General Ogasawara.

17:09

Met Internal Affairs and Communications Minister Hatoyama, Finance

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Minister Nakagawa, Economic and Fiscal Policy Minister Yosano, and Budget Bureau Director General Tango, joined by Kawamura. Hatoyama stayed on.

19:03

Met at his official residence LDP Secretary General Hosoda, New Komeito Representative Ota and other government and ruling coalition liaison council members.

21:02

Returned to his private residence.

SCHIEFFER